

FEDERAL ELECTION COMMISSION
FIRST GENERAL COUNSEL'S REPORT

MUR: 7500
DATE COMPLAINT FILED: September 17, 2018
DATE OF SUPPLEMENT TO THE
COMPLAINT: March 29, 2019
DATES OF NOTIFICATION: September 24, 2018
and April 5, 2019
LAST RESPONSE RECEIVED: May 3, 2019
DATE ACTIVATED: May 6, 2019

EXPIRATION OF SOL: June 16, 2021
ELECTION CYCLE: 2016

COMPLAINANT:

Baboucar Taal

RESPONDENTS:

St. Mary's Bank
The Honorable Gillian Abramson

RELEVANT STATUTES:

52 U.S.C. § 30101(8)(B)(vii)
52 U.S.C. § 30118(a)

INTERNAL REPORTS CHECKED:

Disclosure Reports

FEDERAL AGENCIES CHECKED:

None

I. DISCUSSION

The Complaint alleges that St. Mary's Bank ("Bank") made campaign contributions in the form of fraudulently provided mortgages in violation of the Federal Election Campaign Act of 1971, as amended (the "Act"). Specifically, it asserts that the Bank granted mortgages to individuals between six months to a year prior to the individuals registering as candidates for federal and state office and then discharging the loan obligation within 21 to 31 days after making the loan.¹ The scheme allegedly resulted in giving the appearance that the candidate had sufficient funds to "inject[]" his or her own money into a given campaign.²

¹ Compl. at 1 (Sept. 17, 2018).

² *Id.*

1 The Complaint identifies only one individual as benefiting from the alleged scheme, the
2 Bank's former Chairman Ovide M. Lamontagne, who was a candidate for U.S. Senate in New
3 Hampshire in 2010 and the recipient of a 30-year mortgage from the Bank on June 16, 2016,
4 which was reportedly discharged on July 5, 2016.³ Although the Complaint appears to allege
5 that the Bank has made an impermissible corporate contribution to Lamontagne,⁴ the Complaint
6 makes no connection between Lamontagne's 2010 Senate campaign and the mortgage, which in
7 any event was issued to Lamontagne several years after the conclusion of his campaign.⁵

8 A supplement to the Complaint includes an attachment containing an additional
9 allegation that the Honorable Gillian Abramson, a judge on the New Hampshire Superior Court
10 who presided over a lawsuit that the Complainant filed against the Bank, engaged in an unlawful
11 "straw campaign donation."⁶ This allegation appears to be related to a claim set forth in the
12 Supplement that Judge Abramson "provid[ed]" Lamontagne with a \$1,000 "direct [] benefit" in
13 connection with a lawsuit.⁷ Specifically, the Supplement appears to contend that, by issuing

³ Compl. at 1, 5, 7. The Complaint contains a copy of a page from a disclosure report of Ovide for Senate 2010, Lamontagne's authorized committee, showing \$45,000 in contributions from Lamontagne in September 2010. *Id.* at 16. According to the Complaint, Lamontagne was a gubernatorial candidate in 2012. *Id.* at 6.

⁴ The Act prohibits corporations from making contributions to candidates and candidate committees, and prohibits the knowing receipt of such contributions. 52 U.S.C. § 30118(a). Contributions include "loans" or "anything of value" made for the purpose of influencing an election, but do not include bank loans made in the ordinary course of business "on a basis which assures repayment," which are "evidenced by a written instrument and subject to a due date or amortization schedule," and that are made at a usual and customary interest rate for the lender for the category of loan involved. 52 U.S.C. § 30101(8)(B)(vii).

⁵ In its response to the Complaint, the Bank provides copies of Lamontagne's mortgages and mortgage discharge and denies any violation of the Act. Bank Resp (Oct. 11, 2018) at 1-2, Attachs.

⁶ Supplement to the Compl. (Supplement), Appendix at 1 (March 29, 2019). The Supplement also alleges violations of other statutes not under the Commission's jurisdiction. Supplement at 1. Judge Abramson's Response states that Complainant sued the Bank in connection with the Bank's sale of Complainant's vehicle the Bank obtained after Complainant defaulted on loans. Abramson Resp. (May 3, 2019) at 1-2.

⁷ Supplement at 2. The Bank and Judge Abramson each deny any violation of the Act. Bank Supp. Resp. at 1 (Apr. 23, 2019); Abramson Resp. at 1-4. Judge Abramson's Response also describes prior legal actions by the Complainant against the Judge and the Bank. Abramson Resp. at 2-3 and Attach.

1 cease-and-desist relief to the Bank in 2012 in her official capacity as the judge presiding over the
2 lawsuit Complainant filed against the Bank, Judge Abramson made a contribution to
3 Lamontagne's 2010 campaign because her ruling benefitted Lamontagne in the amount of
4 \$1,000 by causing "a (distraction of) [a] legal civil case to disappear."⁸ Like the initial
5 Complaint, the Supplement lacks a connection between Lamontagne's 2010 Senate campaign and
6 the 2012 judicial relief awarded to the Bank.

7 The FEC contributor database does not reflect that Judge Abramson has made itemized
8 contributions to any federal committees. Mark A. Abramson, Judge Abramson's husband,
9 reportedly made a \$1,000 to Lamontagne's campaign on September 28, 2010.⁹ The available
10 information does not indicate that this contribution may have been impermissible.

11 The Commission has stated that mere speculation, without more, does not provide a
12 sufficient basis to support a reason to believe finding.¹⁰ Here, the Complaint's theories that
13 alleged unlawful contributions in the forms of mortgage issuance and judicial relief were made to
14 Lamontagne are speculative and stale. Moreover, the alleged contributions occurred after the
15 conclusion of Lamontagne's 2010 campaign. In addition, none of the submissions identify any
16 specific reason why the contribution made by Judge Abramson's spouse may have been
17 improper.

⁸ Supplement at 1-2.

⁹ Ovide for Senate 2010 October Quarterly Report at 5 (Oct. 15, 2010). *See also* Kevin Landrigan, *Retiring NH Judge Kenneth Brown Looks Back on Storied Career*, NEW HAMPSHIRE UNION LEADER (Dec. 22, 2018) (referring to Mark Abramson as Judge Abramson's spouse).

¹⁰ *See* Statement of Reasons of Comm'rs Mason, Sandstrom, Smith & Thomas at 3, MUR 4960 (Hillary Rodham Clinton for US Senate Exploratory Committee, Inc.) ("[P]urely speculative charges, especially when accompanied by a direct refutation, do not form an adequate basis to find reason to believe that a violation of FECA has occurred.").

Accordingly, we recommend that the Commission find no reason to believe that St. Mary's Bank violated 52 U.S.C. § 30118(a) in connection with the alleged issuance of a fraudulent mortgage. We further recommend that the Commission find no reason to believe that the Honorable Gillian Abramson violated the Act by making an unlawful straw donation or by issuing legal relief. Finally, we recommend that the Commission close the file in this matter.

II. RECOMMENDATIONS

1. Find no reason to believe that St. Mary's Bank violated 52 U.S.C. § 30118(a) in connection with the allegedly fraudulent issuance of mortgages;
2. Find no reason to believe that the Honorable Gillian Abramson violated the Act by making an unlawful straw donation or by issuing legal relief;
3. Approve the attached Factual and Legal Analysis;
4. Approve the appropriate letters; and
5. Close the file.

July 17, 2019
Date

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